

SAMPLE COURSE OUTLINE  
for  
The Anatomy of a Real Estate Development Transaction

Introduction

Identifying Development Opportunities

Marketability of a site, i.e., the ability to “market” a property prior to purchasing to minimize risk and enhance financing opportunities.

Acquisition

Private Parties Only

Land Only for New Development  
Existing building for renovation and/or redevelopment

Public/Private Transaction

Land only for new development  
Existing building for renovation and/or redevelopment

Developer’s Determination of Project Physical Development Feasibility

decisions and activities that occur simultaneously  
decisions and activities that occur sequentially

Identify potential uses (e.g., residential, office, industrial, office, mixed-use, hotels or other recreational development)

Land and Property Analysis  
Site engineering  
Environmental analysis

Developer’s Determination of Project Financial Feasibility

decisions and activities that occur simultaneously  
decisions and activities that occur sequentially

Identify potential financing sources (i.e., based on market valuation and through appraisal or otherwise, manner in which the development can be structured so as to successfully raise the necessary capital (equity and debt)

Basic project evaluation methods including financial modeling such as the use of pro forma statements and financing strategies related to the acquisition and development of real estate.

Cases that help evaluate the impact of more complex financing and the financing techniques used in real estate transactions.

## Entitlements and Government Incentives

Private sector assessment of the impact of Government entitlements, incentives and imposed costs on developer behavior

Effects of impact fees, special road development “clubs”, performance bonds and other infrastructure pass through costs on project financing.

Local incentives (e.g., direct tax abatements, tax increment financing, tax credits, abatement of certain tap fees, and expedition of inspections and reviews by government officials and special during the course of work)

Federal or state grants or loans (e.g., Brownfields Revolving Loan Funds, assessment loans, etc.).

## Insurance

Cleanup cost cap insurance  
Secured creditors' environmental liability insurance

## The Closing

The Purchase and Sale Contract  
Structuring and Documentation of the Business Deal of the Acquiring Entity  
Debt Structuring and Documentation

## Planning, Design, and Construction

Site Planning  
Conceptual and Schematic  
Engineering and Environmental Impact  
Design Development Approvals and Bid Documents  
Selecting a Contractor and the Contract of Construction  
Qualifying Bidders  
Selecting the Contractor/Sub-contractors, etc.  
Development of the Construction Contract Documents

Construction

Site Development  
Off Sites  
On Sites  
Building Construction  
Completion and Delivery

Marketing

Sales/Leasing  
Turnover (in cases of rental development)

Conclusion